

trustee under an approved trust agreement involving restricted Indian property, or who is an officer, director, or employee of such trust company or banking institution, shall act as an appraiser of real estate in connection with the making of loans from the trust estate to be secured by first deeds of trust or first mortgages. Nor shall any person having an interest in obtaining such a loan, either personally or as an officer, director or employee of any company, association or partnership seeking such a loan, act as an appraiser. An investigation into the qualifications of all persons selected as appraisers will be made for the purpose of determining that the persons selected are both competent and disinterested.

§ 116.6 Aiding Indians in formulating trust agreements.

In the formulation of the trust agreement and the provisions thereof the superintendent for the Five Civilized Tribes Agency and the other employees under his supervision will upon request assist the Indian to the fullest possible extent to the end that he may understand fully the meaning and the intent of the agreement and make the most satisfactory provision for the formation and consummation of the trust agreement.

§ 116.7 Trust duration.

Under the terms of the statute no trust shall be established to continue for a period of more than 21 years after the death of the last surviving beneficiary named in the trust agreement.

§ 116.8 Trustee's security.

To secure the faithful performance of the duties imposed by the trust agreement the trustee shall, as required by section 7 of the act (47 Stat. 778), deposit securities of the United States or furnish an acceptable corporate surety bond in an amount equal to the value of the trust as fixed and determined by the Secretary of the Interior. Appraisers will be appointed by the Secretary for the purpose of fixing the value of the trust and of revising such value from time to time as the judgment of the Secretary may dictate. Additional or substitute security may be required

at any time when deemed necessary for the protection of the trust estate and the interest of the Indians. Trustees pledging United States bonds or notes as security shall execute on forms¹ prescribed by the Secretary an appropriate resolution and power of attorney authorizing the sale, assignment or transfer of the collateral. Only those corporate sureties who hold certificates of authority from the Secretary of the Treasury to write bonds on which the United States is obligee are acceptable as sureties. The cost to the trustee, if any, of furnishing the required bond, will be regarded as a necessary part of the cost of administering the trust and as such deductible from the gross income accruing therefrom.

§ 116.9 Trustee's compensation.

As compensation for administering the trust the trustee will be permitted to receive annually not to exceed 5 percent of the gross annual income from such trust estate, and as further compensation will also be permitted to receive not to exceed an amount equal to 1 percent of the corpus of the trust estate, to be paid out of the income first accruing therefrom, and not to exceed an amount equal to 2 percent of the corpus of the estate at the time of final distribution based upon the last valuation made by the Secretary of the Interior prior to such distribution. By final distribution is meant any distribution to a beneficiary of any part of the corpus of the trust estate at any time under the terms of the trust. All fees are to be based on the size of the trust and the nature of the duties to be performed thereunder. The foregoing percentage of fees are maximum and alternative, that is, within such maximum limitations any one or more of said fees may or may not be allowed within the discretion of the Secretary of the Interior.

§ 116.10 Necessary forms.

In addition to the form of application by the Indians under the act of January 27, 1933 (47 Stat. 777), there are skeleton forms of trust agreement and

¹Forms may be obtained from the superintendent of the Five Civilized Tribes Agency, Muskogee, Oklahoma.

bond which forms are subject to such changes as may be necessary to meet the requirements of each particular case.

§ 116.11 Limit restricted property in trust.

Not more than three million dollars aggregate value of restricted Indian property shall be placed in trust pursuant to the regulations in this part with any one trustee, trust company or other banking institution authorized by law to act as a fiduciary.

§ 116.12 Amendments.

The regulations in this part may be changed, amended, added to, and any part thereof eliminated at any time by the Secretary of the Interior.

PART 117—DEPOSIT AND EXPENDITURE OF INDIVIDUAL FUNDS OF MEMBERS OF THE OSAGE TRIBE OF INDIANS WHO DO NOT HAVE CERTIFICATES OF COMPETENCY

Sec.

- 117.1 Definitions.
- 117.2 Payment of taxes of adult Indians.
- 117.3 Payment of taxes of Indians under 21 years of age.
- 117.4 Disbursement of allowance funds.
- 117.5 Procedure for hearings to assume supervision of expenditure of allowance funds.
- 117.6 Allowance for minors.
- 117.7 Disbursement or expenditure of surplus funds.
- 117.8 Purchase of land.
- 117.9 Construction and repairs.
- 117.10 Purchase of automotive equipment.
- 117.11 Insurance.
- 117.12 Costs of recording and conveyancing.
- 117.13 Telephone and telegraph messages.
- 117.14 Miscellaneous expenditure of surplus funds.
- 117.15 Collections from insurance companies.
- 117.16 Reimbursement to surplus funds.
- 117.17 Inactive surplus funds accounts.
- 117.18 Withdrawal and payment of segregated trust funds.
- 117.19 Debts of Indians.
- 117.20 Purchase orders.
- 117.21 Fees and expenses of attorneys.
- 117.22 Disbursements to legal guardians.
- 117.23 Transactions between guardian and ward.
- 117.24 Compensation for guardians and their attorneys.
- 117.25 Charges for services to Indians.

- 117.26 Expenses incurred pending qualification of an executor or administrator.
- 117.27 Custody of funds pending administration of estates.
- 117.28 Payment of claims against estates.
- 117.29 Sale of improvements.
- 117.30 Sale of personal property.
- 117.31 Removal of restrictions from personal property.
- 117.32 Funds of Indians of other tribes.
- 117.33 Signature of illiterates.
- 117.34 Financial status of Indians confidential.
- 117.35 Appeals.

AUTHORITY: 5 U.S.C. 301.

SOURCE: 22 FR 10554, Dec. 24, 1957, unless otherwise noted. Redesignated at 47 FR 13327, Mar. 30, 1982.

§ 117.1 Definitions.

When used in the regulations in this part the following words or terms shall have the meaning shown below:

- (a) "Secretary" means the Secretary of the Interior or his authorized representative.
- (b) "Commissioner" means the Commissioner of Indian Affairs or his authorized representative.
- (c) "Superintendent" means the superintendent of the Osage Agency.
- (d) "Quarterly payment" means the payment of not to exceed \$1,000 which is made each fiscal quarter to or on behalf of an adult Indian, from the following sources:
 - (1) The pro rata distribution of tribal mineral income and other tribal revenues.
 - (2) The interest on segregated trust funds.
 - (3) Surplus funds in addition to the income from the foregoing sources in the amount necessary to aggregate \$1,000 when the income from those sources is less than \$1,000 and the Indian has a balance of accumulated surplus funds in excess of \$10,000.
- (e) "Surplus funds" means all those moneys and securities readily convertible into cash, except allowance funds and segregated trust funds, which are held to the credit of an Indian at the Osage Agency and which may be disbursed, expended or invested only upon authorization by the Secretary. The term includes:
 - (1) That portion of the quarterly distribution of tribal income and interest